Amendments to and Listing of the Claims

This listing of claims will replace all prior versions, and listings, of claims in the application:

- 1-4. (Cancelled).
- 5. (Currently amended) [[The]] <u>A</u> spatial scalable video encoder <u>for encoding an image block</u>, of claim 3, further comprising:

a motion compensator for forming a motion compensated full resolution prediction; a subtractor, in signal communication with said motion compensator, for subtracting the motion compensated full resolution prediction from the image block to form a prediction residual;

a downsampler, in signal communication with said subtractor, for downsampling the prediction residual to form a low resolution downsampled prediction residual;

a transformer/quantizer, in signal communication with said downsampler, for coding the low resolution downsampled prediction residual;

an inverse quantizer/inverse transformer, in signal communication with said transformer/quantizer, for inverse quantizing and inverse transforming the coded low resolution downsampled prediction residual to form a coded prediction residual;

an upsampler, in signal communication with said inverse quantizer/inverse transformer, for upsampling the coded prediction residual to form a coded upsampled prediction residual;

an adder, in signal communication with said upsampler, for adding the upsampled prediction residual to a motion compensated full resolution prediction to form a sum signal;

a subtractor, in signal communication with said adder, for subtracting the sum signal from the input image block to form a difference signal; and

another quantizer/transformer, in signal communication with said subtractor, for forming a full resolution enhancement layer error signal from the difference signal.

6. (Currently amended) The spatial scalable video encoder of claim 5, further comprising:

an entropy coder, in signal communication with said quantizer/ transformer, for encoding the coded <u>low resolution</u> downsampled prediction residual into a base layer bitstream; and

another entropy coder, in signal communication with said <u>another</u> quantizer/transformer, for encoding the full resolution enhancement layer error signal into an enhancement layer bitstream

(Original) The spatial scalable video encoder of claim 6, wherein the enhancement layer bitstream is encoded only for intra-coded slices in the base layer bitstream.

8-11. (Cancelled).

12. (Currently amended) The spatial scalable video encoder of claim 10, further. A method for encoding an image block, comprising the steps of:

forming a motion compensated full resolution prediction;

subtracting the motion compensated full resolution prediction from the image block to form a prediction residual:

downsampling the prediction residual to form a low resolution downsampled prediction residual;

coding the low resolution downsampled prediction residual to form a coded low resolution downsampled prediction residual;

inverse quantizing and inverse transforming the coded low resolution downsampled prediction residual to form a coded prediction residual;

upsampling the coded prediction residual to form a coded upsampled prediction residual; adding the coded upsampled prediction residual to a motion compensated full resolution prediction to form a sum signal;

subtracting the sum signal from the input image block to form a difference signal; and quantizing and transforming the difference signal to form a full resolution enhancement layer error signal.

13. (Currently amended) The method of claim 12, further comprising the steps of:

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bitstream; and

encoding the coded low resolution downsampled prediction residual into a base layer

encoding the full resolution enhancement layer error signal into a $\underline{\mathbf{n}}$ enhancement layer bitstream.

14. (Original) The method of claim 13, wherein the enhancement layer bitstream is encoded only for intra-coded slices in the base layer bitstream.

15. (Cancelled).